



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**

Partners for Better Communities

CDBG Program Overview

- Funding authorized under the *Housing and Community Development Act of 1974*
- Three National Objectives:
 - Low- and moderate-income benefit
 - Slum and blight elimination
 - Urgent community development needs

CDBG Program Overview

- Serves Non-Entitlement localities
 - Only localities are eligible applicants
- Program Design establishes Virginia's overall Program Goal and Objectives
- Request for Proposal
 - CDBG Competitive Application Guidelines and Open Submission Program Fact Sheets

CDBG Method of Distribution

Total Funding Available for CDBG Community Improvement Grant Programs

\$18,150,503

CDBG Community Improvement Grant Programs

Competitive	\$ 9,750,503
Planning Grants	\$ 700,000
Open Submission Funds	\$ 6,000,000
Public Services	
Scattered Site	
Community Economic Development	
Local Innovation	
Construction-Ready Water and Sewer Fund	
Regional Water/Wastewater Fund	
Urgent Need Open Submission Projects	<u>\$ 1,000,000</u>
	\$17,450,000

CDBG Program Schedule

Program	Deadline
Open Submission, Planning Grants, and Urgent Need	Open April 1 st - December 30 th , 2022
Competitive Grant	Due April 1 st , 2022

Summary of Program Changes

- Public Services as open submission: 3 priority funding areas:
 - Lead hazard reduction
 - Child care programs
 - Health services
- Housing Rehab scattered site as open submission (up to \$1,000,000)
- Local Innovation & Community Economic Development OS programs
- Extending base contract period of planning grants
- Bolstering energy efficiency activities under housing rehab programs

Programmatic Changes: Open Submission

Housing Rehab: Scattered Site

- Eligible for up to \$1,000,000
- Clarification regarding targeted housing rehabilitation vs. scattered site rehabilitation. The applicant determines a specific project area. The project area can be defined in any way, but must have a similar characteristic (i.e. specific neighborhood, population, community characteristic, or a shared physical aspect)

Programmatic Changes: Open Submission

Local Innovation

- Virginia Individual Development Account (VIDA)
- Job training & workforce development projects
- Multi-purpose community centers are eligible under Local Innovation. Up to \$500,000 in funding available. Must demonstrate 51% LMI or LMA benefit at application
- Small Scale Manufacturing

Programmatic Changes: Open Submission

Community Economic Development

Eligible uses are as follows:

- Job Creation
- Site Redevelopment
- Site Readiness; infrastructure, including broadband
- All CEDs require Letter of Credit, bond, or other form of security
- No repayment requirement if the locality has a long-term lease (ownership is retained by the locality/EDA or IDA) and the low-to-moderate jobs are created or retained. Repayment would only be required if the property is sold.
- If a property is privately owned DHCD can grant the funding to the locality and the locality can loan it to the business owner.

Open Submission Grant Cycle

- \$700,000 is reserved for Planning Grants
- Expected **\$7 million** available in funding
 - Public Services
 - Construction-Ready Water and Sewer
 - Local Innovation Fund
 - Community Economic Development Fund
 - Urgent Need
 - Regional Water/Wastewater Fund
- April 1st – December 31st, 2022

Competitive Grants

- **Housing** – Rehabilitation of housing units to DHCD Housing Quality Standards or construct new housing units. Targeted project area
- **Comprehensive Community Development**– At least two major activities, such as water, sewer, housing, etc.
- **Public Infrastructure**– Water/Wastewater services, drainage improvements, streets (including streetscapes).
- **Community Service Facility** – Workforce training, health care, daycare associated with economic development, etc.
- **Business District Revitalization** – downtown revitalization/economic development

Housing

- Know your Project Area – make it manageable for 24 month timeline
- Leverage, i.e., Weatherization and Lead Hazard Reduction (LHR) funds
- LHR Program includes incentives for administration and construction
- Existing cost limits for pre-1978 rehabs with no abatement contractors
- If rehabs will eliminate lead hazards through assessments, stabilization, abatement and clearance – grantee may use new cost limits
- New cost limits for post-1978 rehabs
 - \$125,000 per house rehabilitated
 - \$150,000 per house substantially reconstructed

Housing Rehabilitation Project Mistakes

- Many communities have not clearly documented how many homes actually need assistance (assessed needs compared to housing units to be served)
 - Example-A total of 50 homes listed in project area, 24 to be assisted with the project.
 - Can be remedied by a detailed description of the condition of the homes not being assisted
 - Map referencing
- Unsigned participation agreements by identified property owner
- Outdated participation agreements

Housing Summary Table

Project Area Totals						
	Total # Units		# Substandard Units		Total # Persons	
	<i>Project Area</i>	<i>LMI</i>	<i>Project Area</i>	<i>LMI</i>	<i>Project Area</i>	<i>LMI</i>
Owner Occupied						
Single-Family	11	8	8	8	32	26
Multi-Family	0	0	0	0	0	0
Mobile Homes	0	0	0	0	0	0
Renter Occupied						
Single-Family	8	5	5	5	17	14
Multi-Family	0	0	0	0	0	0
Mobile Homes	0	0	0	0	0	0
Vacant						
Single-Family	3	0	0	0		
Multi-Family	0	0	0	0		
Mobile Homes	0	0	0	0		
Total	22	13	13	13	49	40

- 1 landlord participation agreement & 2 owner-occupied participation agreements not signed by identified property owner
- 7 participation agreements are dated between late 2016 and early 2017 so continued interest is unclear
- 1 rental being rehabbed is vacant. For how long is unclear so eligibility is uncertain. Proposed tenant identified

Comprehensive Community Development

- Must target at least two activities, with an emphasis on Housing
- Other significant activities must be supported by neighborhood surveys, preliminary engineering report or needs assessments
- Significant activities: water, sewer, streets, broadband, ED and CSF
- Limits on the CCD application request:
 - Two activities \$1,250,000 + \$110,000 in Admin
 - Three activities - \$1,500,000 + \$120,000 in Admin
- Water or Sewer improvements cannot exceed:
 - \$20,000 per household budgeted for water
 - \$25,000 per household budget for sewer

Public Infrastructure (Including Housing Production)

- Max Award: \$1,000,000
 - Max CDBG investment per water connection: \$20,000
 - Max CDBG investment per sewer connection: \$25,000
- Project area must be at least 51% LMI.
 - Service must be *made available to* all occupied LMI households.
- Household income surveys and user agreements.
 - Complete prior to submitting application.

Community Service Facility

- Up to \$1,000,000 grant award (Multi-Purpose Community Centers can be awarded \$1.5 million)
- Must demonstrate that facility development is a clear local community development priority.
- Must provide 51% benefit to LMI or be in a LMA
- Examples: daycare facilities, skill building facilities, health clinics

Calfee School Adaptive Reuse Project (Pulaski)



Economic Development/CED

- \$1,000,000-\$1,250,000
- Irrevocable Letter of Credit, bond, or other guaranteed form of security is required in the amount of the grant.
- Categories that CED projects typically fall into:
 - Job Creation and Retention –must be 51% LMI
 - Site Redevelopment-target sites that have been rendered unusable
 - Develop Readiness-completion of improvements which will result in the creation of business and job opportunities

Business District Revitalization (BDR)

- \$1,000,000
- At least 25% blighted (physical) or 50% vacancy rate (economic)
- Economic Restructuring Plan or Economic Development Strategy
- Applicant must provide analysis of housing and other community needs
- Design and marketing activities up to 5% are eligible
- Applicant must enact and enforce project area ordinances
- Must adopt minimum design and maintenance standards
- Important change-No façade match requirement

Business District Proposal Mistakes

- Demonstration of blight (25% or more physical blight or 50% economic blight) not clearly defined or depicted
 - Can be accomplished by including a detailed map or complete listing of identified blighted properties
- Not addressing other blight or vacancies in the project area
- Not submitting an Economic Restructuring Plan or Economic Development Strategy
- Not submitting documentation of support from business community for the project

Competitive Proposal Evaluation Criteria

- National Objective Relationship
- Composite Fiscal Stress
- Regional Priorities
- Costs and Commitments
- Project Specific Evaluation
 - Community Priority (scoring based **only** on submitted materials demonstrating community needs)
 - Stakeholder Involvement
 - Readiness (timeliness and costs)
 - Capacity (local and community engagement)
 - Long-term Impact

Application Overview: Common Mistakes and Helpful Tips

APPLICATION BASICS

- Two public hearings are required
 - First Public Hearing: solicits input on local community development and housing needs and past use of CDBG funds
 - Second Public Hearing: solicits input on a locality's proposed CIG proposal
- Advertisement and timing
 - Advertised at least seven days prior in the non-legal section of the local paper and by one other method. Hearings must be held at least one week apart
 - Adhere to 2022 CDBG Program Design for public hearing requirements



APPLICATION BASICS



- \$2.5 million cap on open CDBG projects
 - Projects **must be closed out** by March 30th to not count against the cap for the 2022 competitive round.
- Include assurances, copies of advertisements, and copies of notices in ALL proposals
- Transmittal letter to PDC
- Regional Priorities must be submitted prior to April 1st, 2022

Common Mistakes

Costs and Commitment

- Documentation of Leverage Funds
 - Locality contribution must be documented by resolution

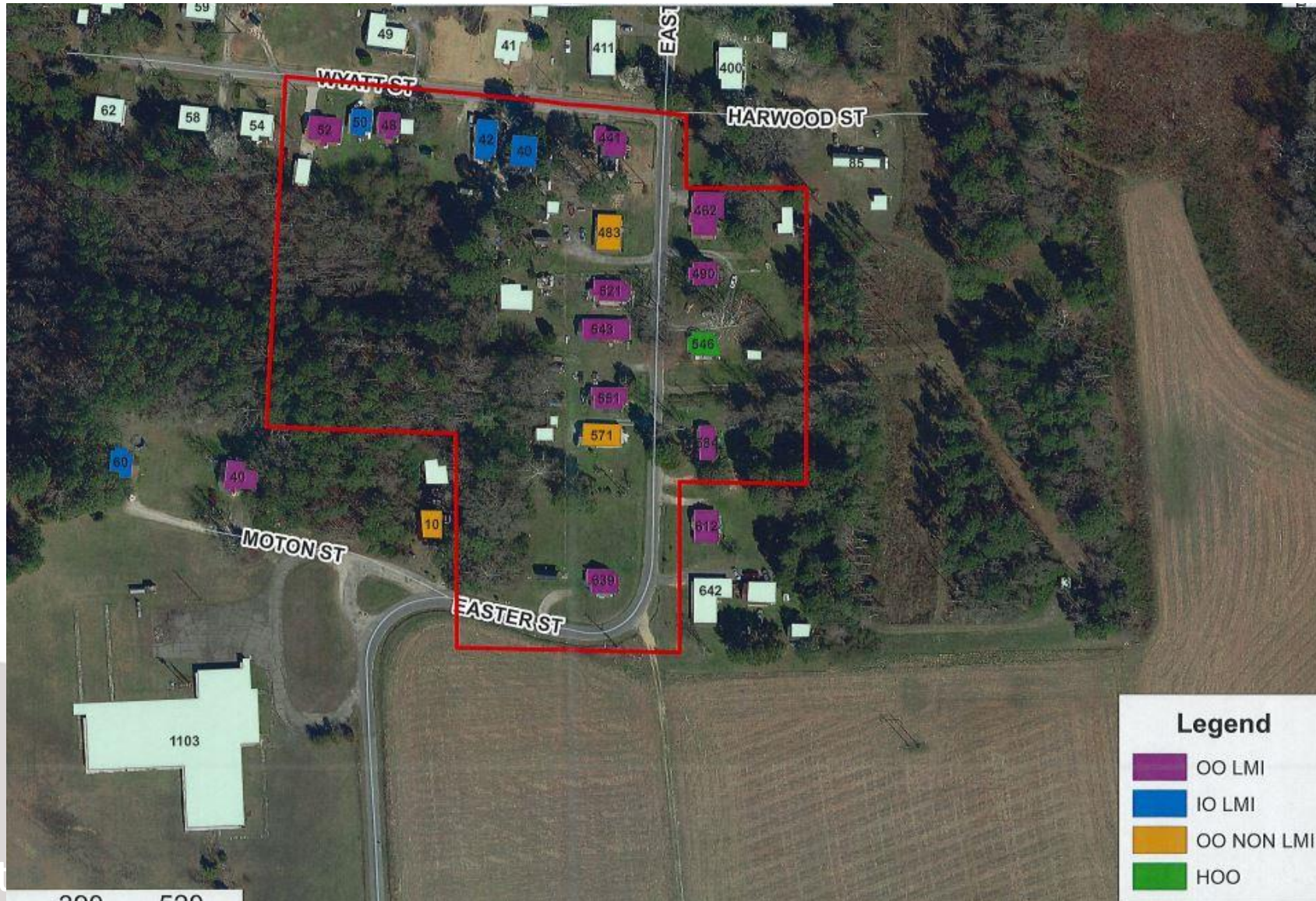
Project Specific Evaluation, Readiness, Capacity, & Impact

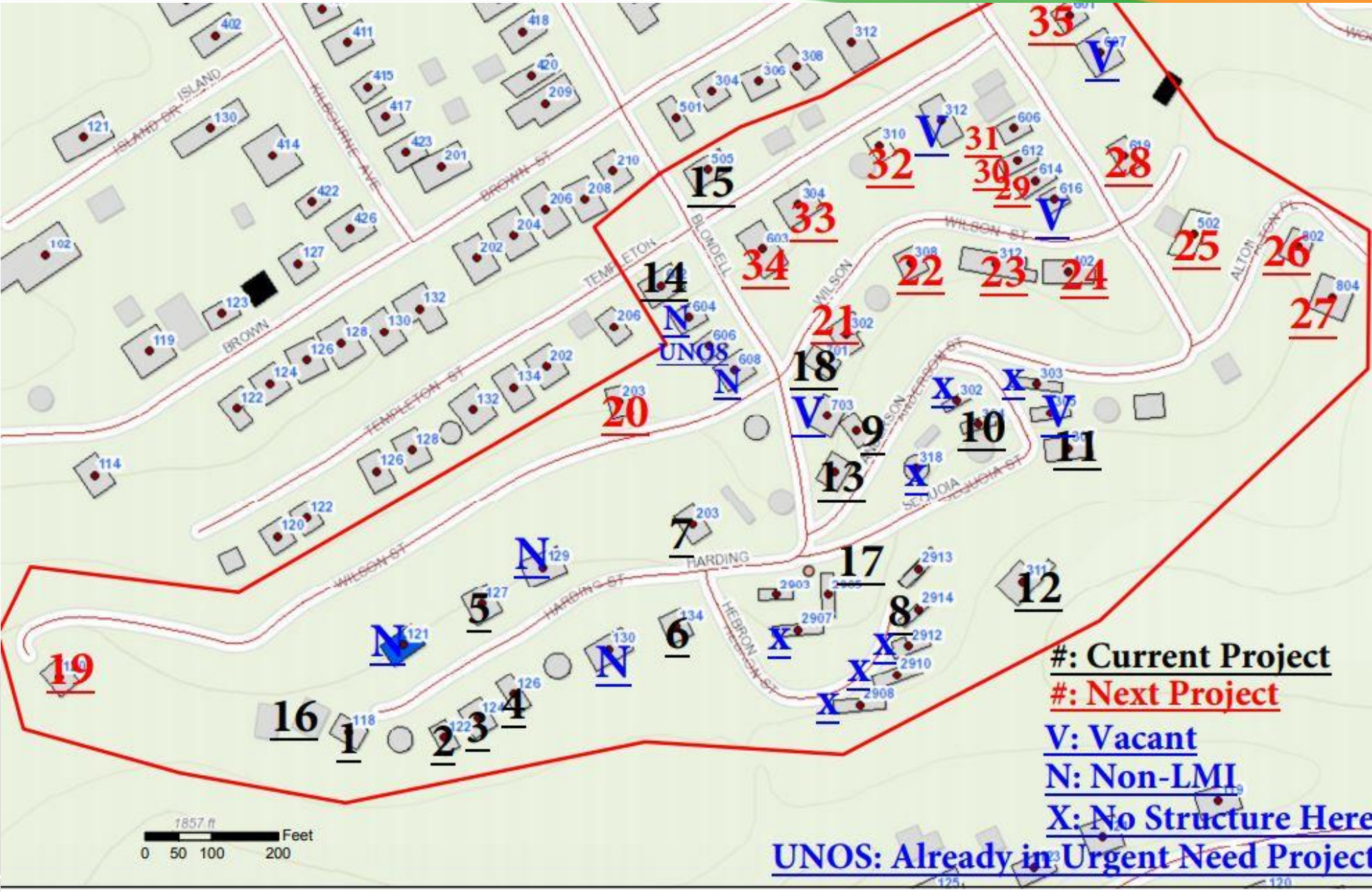
- Participation agreements, easement identification/acquisition, environmental review, and procurement are obstacles to project readiness

Project Needs & Outcomes

- Mapping Deficiencies-Project areas not clearly depicted
- Project does not have a clear connection to other plans or studies

Common Mistakes





Mapping Example



Revitalization Project

(Numbers Refer to Attached
Building Inventory)

Physical Inventory

16	YES	145	Main Street	Affordable New & Used Go	Robert L. Walston III	C-4	3,616	0
17	YES	149	Main Street	Amisha's Fashions / Celia V	Amisha's Fashions	C-3	2,875	0
18		156	Main Street	Vacant	Cynthia Tyndle	C-3	5,481	5,481
19	YES	178	Main Street	Vacant	James & Diane Poates	C-3	1,605	1,500
20	YES	180	Main Street	Vacant	James & Diane Poates	C-3	1,605	1,605
21	YES	190	Main Street	James & Diane Poates	James & Diane Poates	C-3	1,605	1,605
22		195	Main Street	Amerigas	Susan Revere	C-3	1,605	0
23	YES	196A	Main Street	Hair Salon	James & Diane Poates	C-3	1,605	0
24	YES	196B	Main Street	James & Diane Poates	James & Diane Poates	C-3	1,605	0
25	YES	206	Main Street	Napier Construction (back)	Dorothy B. Delano	C-3	6,000	3,000
26	YES	5801	Richmond Road	The Saddlery	Gregory Packett	C-4	750	750
27	YES	5805	Richmond Road	Vacant	Gregory Packett	C-4	1,799	1,799
28	YES	5811	Richmond Road	School of Dance	Gregory Packett	C-4	1,799	0
29	YES	5839	Richmond Road	Northern Neck State Bank	Northern Neck State Bank	C-3	11,127	0

C-1

The structure and all components are new and feature no obvious physical depreciation.

C-2

The structure features limited physical depreciation, normal wear and tear, and has been adequately maintained.

C-3

The structure exhibits some deferred maintenance and requires small to moderate repairs and improvements.

C-4

The structure features obvious deferred maintenance and is in need of significant repairs. The functional utility of the structure is somewhat diminished due to condition.

C-5

The structure has substantial damage or deferred maintenance with deficiencies that are severe enough to affect the overall functionality of the structure. Substantial improvements are needed.

Cost and Commitments

The logo for the Virginia Department of Housing and Community Development (DHCD). It features a stylized white house icon on a blue background. To the right of the house, the words "VIRGINIA" and "DHCD" are written in white, bold, sans-serif capital letters, stacked vertically.

Cost and Commitment

Non-CDBG Funds (including Local) versus Total Project Cost (up to 40 points)

Based on leverage accepted previous page.

$$\frac{2}{(Non-CDBG \$)} \div \frac{1,338,972}{(Total \$)} = 2\%$$

Section below to be completed by the Policy and Strategic Development Office

Place proposal in one of six priority groups based on its percentage as compared to those of other proposals.

	HIGHEST (40 points)	<u>2</u>
	HIGH (30 points)	
	UPPER MIDDLE (25 points)	
	LOWER MIDDLE (15 points)	
	LOW (10 points)	
	LOWEST (0 points)	

Local Funds versus Total Project Cost (up to 40 points)

Based on leverage accepted from previous.

$$\frac{2}{(Local \$)} \div \frac{1,338,972}{(Total \$)} = 2\%$$

Section below to be completed by the Policy and Strategic Development Office

Place proposal in one of six priority groups based on its percentage as compared to those of other proposals.

	HIGHEST (40 points)	<u>2</u>
	HIGH (30 points)	
	UPPER MIDDLE (25 points)	
	LOWER MIDDLE (15 points)	
	LOW (10 points)	
	LOWEST (0 points)	

**Applicant
received 20 out of
125 Points for
Costs and
Commitment**

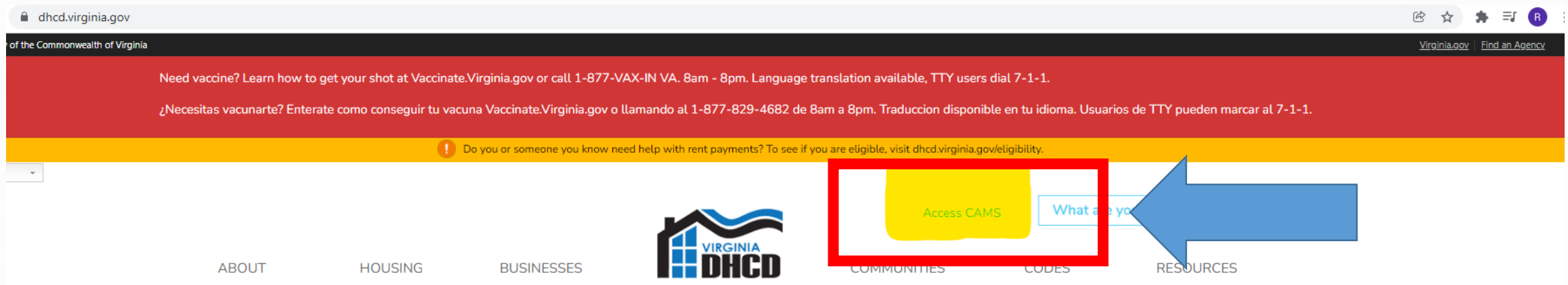
Application Submission Requirements

- Submit to DHCD by 11:59 pm on April 1st, 2022
- Must submit all application materials in CAMS
- Must provide ALL required attachments

CAMS Submission

- Create a Profile now.
- Locality must submit.
- Do not share your password / login.
- Assign staff to roles for assistance as needed.
- Internet Explorer or Chrome are the recommended browsers.
- Save often. Use Save this Tab before moving to another section
- **CAMS User Guide (includes explanation of CAMS roles):**
<https://dmz1.dhcd.virginia.gov/camsportal/StaticFiles/UserGuides/UserGuideTableofContents.pdf>

www.DHCD.VIRGINIA.GOV



TA Sessions Available:

Tuesday, February 15th
8:30 am – 5 pm

Tuesday, February 22nd
2-5 pm

Thursday, February 24th
9:30 am – 5 pm

Matt Weaver
Associate Director of Outreach, Planning &
Compliance

matt.weaver@dhcd.virginia.gov

Rachel Jordan
Policy Analyst

rachel.jordan@dhcd.virginia.gov

Call or Email with questions. CAMS Help Desk staff
are available. CAMSHelp@dhcd.virginia.gov